

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 592 - SB 1105

February 12, 2023

SUMMARY OF BILL: Repeals the *Soil Scientist Licensure Act of 2009*, which established rules and regulations and licensure requirements for Soil Scientists. Removes all licensure requirements, examination and education requirements, disciplinary actions for licensure violations, and removes any funding received from the Act from the Geologists and Soil Scientists Regulatory Fund.

FISCAL IMPACT:

**Decrease State Revenue - \$5,200/FY23-24 and Every Two Years Thereafter/
Geologist and Soil Scientist Board
\$20,400/FY24-25 and Every Two Years Thereafter/
Geologist and Soil Scientist Board**

Assumptions:

- Pursuant to Tenn. Code Ann. § 62-18-211, the Commissioner of the Department of Commerce and Insurance (DCI) is required to promulgate rules and regulations and establish fees sufficient to pay the expenses for licensing under the Act.
- Pursuant to Tenn. Code Ann. § 62-18-211(6), any money collected pursuant to the Act is required to be deposited in the Geologists and Soil Scientists Regulatory Fund and is collected under the Board of Geologists and Scientists (BGS).
- The BGS would experience a decrease in revenue from licensee renewal fees collected under the Act.
- According to DCI there are 64 active licensed soil scientists, with 13 set to renew in FY23-24 and 51 set to renew in FY24-25.
- According to DCI rules for Soil Scientist licensure, Chapter 0780-05-06 the license requires a renewal fee of \$400. Licenses are renewed on a two-year basis.
- A decrease in revenue to BGS of \$5,200 (13 x \$400) in FY23-24 and every two years thereafter.
- A decrease in revenue to BGS of \$20,400 (51 x \$400) in FY24-25 and every two years thereafter.
- Examinations are paid by the licensee to third party entities designated by DCI, and will not result in a further decrease in revenue.
- Pursuant to Tenn. Code Ann. § 62-18-219, any person who violates the terms of licensing or an existing license, is subject to a Class B misdemeanor charge and civil penalty of no more than \$1,000 per violation.

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- It is estimated there have not been a sufficient number of prosecutions for state or local government to see a significant decrease in revenue or expenditures.
- Any decrease in expenditures for the BGS is estimated to be not significant.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The BGS experienced a deficit of \$1,440 in FY20-21, a surplus of \$24,093 in FY21-22, and had a cumulative reserve balance of \$558,188 on June 30, 2022.

IMPACT TO COMMERCE:

Decrease Business Expenditures -

\$5,200/FY23-24 and Every Two Years Thereafter

\$20,400/FY24-25 and Every Two Years Thereafter

Assumptions:

- There will be a decrease in business expenditures for active Soil Scientist licensees no longer being required to pay to renew licenses of \$5,200 in FY23-24 and every two years thereafter, and of \$20,400 in FY24-25 and every two years thereafter.
- The proposed legislation may decrease continuing education and examination expenditures for individuals; however, some employers may still require such courses; therefore, the net impact on businesses expenditures related to such costs cannot be determined.
- No significant impact on jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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